

MEMORANDUM

Date: August 4, 2021
To: Chehalis Basin Board
From: Andrea McNamara Doyle, Office of Chehalis Basin Director
Re: Chair’s August 4 Revised Chehalis Basin Strategy 2021-23 Capital Budget Spending Plan Proposal

Below is the Chair’s revised proposal for the Board’s consideration and possible approval on August 16 of a 2021-2023 budget and spending plan for the Chehalis Basin Strategy. Table 1 includes proposed budget allocations for the ASRP, Flood Damage Reduction, Integrated, and Administrative/Operations elements of the budget. Highlights have been added to show the changes since July 1. Below Table 1 are several proposed conditions related to the spending plan. A new Table 2 now lists in more detail the budget allotments that comprise the allocation for the proposed flood retention facility & airport levee project.

Table 1. Revised 2021-2023 Budget Proposal for Consideration on August 16, 2021 ¹

WORK ELEMENT	JULY 1 CHAIR’S DRAFT	AUG 2 CHAIR’S DRAFT
Aquatic Species Habitat Restoration (TOTAL) <i>ASRP Unobligated Reserve</i>	\$31,150,000	\$30,870,000 \$8,530,000 ²
ASRP New Projects	\$20,650,000	\$20,650,000
ASRP Implementation Support	\$6,200,000	\$6,200,000
ASRP Program Oversight, Management, & Participation	\$4,200,000	\$4,200,000
All-H and Predation Integration	\$100,000	\$100,000
Flood Damage Reduction (TOTAL)	\$31,150,000	\$30,870,000
Local Actions Alternative & Comprehensive Basin-Wide Flood Damage Reduction Road Map	\$2,500,000	\$3,260,000 ³
Local Structural Flood Protection & Floodplain Mapping/Modeling		
Flood Retention Facility & Airport Levee	\$9,600,000	\$10,531,000 ⁴
<i>Flood Damage Reduction Unobligated Reserve</i>	<i>\$10,500,000</i>	<i>\$8,530,000 ⁵</i>
Aberdeen-Hoquiam North Shore Levee West Segment	\$4,000,000	\$4,000,000
Flood Authority Projects	\$4,050,000	\$4,050,000 ⁶
Community Flood Assistance & Resilience (CFAR)	\$500,000	\$500,000
Integrated (TOTAL)	\$3,800,000	\$4,360,000 ⁷
Hyporheic Exchange Enhancement Demonstration Project		\$560,000 ⁸
Skookumchuck Dam Analysis	\$450,000	\$450,000
Erosion Management	\$320,000	\$320,000
Floodplain Acquisition Program & Land Use	\$600,000	\$600,000
Community Outreach/ Engagement	\$300,000	\$300,000
State, Tribal, and Local Agency Program Participation	\$2,130,000	\$2,130,000
Core OCB/Board Operations and Staffing (TOTAL)	\$3,900,000	\$3,900,000
TOTAL	\$70,000,000	\$70,000,000

Proposed conditions for spending plan:

1. *From July 1:* The Board will conduct check-in(s) during 2022 to assess spending and progress to date on all Chehalis Basin Strategy 2021-23 activities:
 - To compare actual spending against projections
 - To evaluate progress on near-term work plans and deliverables
 - To authorize new work/specific projects not included in current plan
 - To make other modifications to the spending plan
2. \$8.53M of the \$30.87M is reserved as unobligated until 2022 Board check-in(s). ASRP Steering Committee would be asked to make recommendations to the Board for how to adjust & prioritize specific projects within the total \$30.87M level, including any adjustments necessary due to the reservation of \$8.53M.
3. The \$3.26M will be prioritized for developing and evaluating a recommended proposal for a Local Actions Alternative for a basin-wide suite of actions for flood damage reduction that does not include the flood retention facility/airport levee project, and developing a comprehensive basinwide flood damage reduction roadmap. Further Board decisions will be needed to finalize a governance structure, cost estimates, schedule, and deliverables.
4. The revised \$10.531M total for the FRE/Airport Levee will be allocated as described in Table 2 below.
5. *From July 1:* \$2M of the \$8.53M would be reserved as contingency for the FRE/Airport Levee budget line item, to be obligated by the OCB Director only for unforeseen costs associated with completing the final SEPA & NEPA EISs. The Board will allocate the remaining unobligated reserve based on their 2022 check-in(s).
6. *From June 3:* The Chehalis River Basin Flood Authority would be asked to make recommendations to the Board for how to adjust & prioritize specific projects within the \$4.05M funding allocation.
7. *From June 3:* Funding for Integrated projects and programs would come equally from flood damage reduction and aquatic species restoration allocations.
8. \$560,000 is provided for implementation of a hyporheic exchange demonstration project. The intention of the project is to demonstrate the efficacy of a hyporheic exchange location in the Chehalis River Basin to assist agencies in their assessment of this type of mitigation feasibility and to inform other aspects of the Chehalis Basin Strategy, including the ASRP. This work will be led by the FCZD and will install existing condition monitoring, initiate monitoring, and construct and maintain an exchange structure. The FCZD, and its consultant Kleinschmidt Associates (KA), will invite participation of technical staff from the Quinault Indian Nation, Chehalis Tribe, and WDFW, and will present the proposed project as well as reports and all relevant data collected to the Science Review Team of the ASRP. Because this project may hold promise to reduce the devastating impacts of rising water temperatures on aquatic species, the FCZD will move with urgency to implement the project.

Table 2. Revised Budget Allotments for Flood Retention Facility & Airport Levee

These revised budget descriptions and allotments are the result of a series of discussions and correspondence exchanged between the Chehalis Basin Board Chair, OCB Director, and representatives of the Quinault Indian Nation, Flood Control Zone District, Ecology, and USACE, since the July 1 Board meeting, including the following:

- July 19 QIN meeting guide for July 22
- July 26 OCB memo to QIN re: OCB follow-up to QIN re: July 22 Chehalis budget & EIS meeting
- July 27 FCZD memo to QIN re: Chehalis River Basin FCZD Follow up to July 22 budget meeting
- July 28 QIN email to FCZD re: Budget Discussion Follow-up
- July 28 QIN email to Chair & CBB re: Budget – Progress Update
- July 29 QIN email to OCB re: OCB follow-up to QIN re: July 22 Chehalis budget & EIS meeting
- July 29 FCZD email to QIN re: Budget Discussion Follow-up
- July 30 QIN email to/from OCB & WDFW re: Item 54 language
- Aug 2 QIN President Capoeman letter to Chehalis Basin Board Chair re: OCB 2021-2023 biennium

Highlights indicate items where changes have been made since the July 1 Board meeting:

FRE Item #	Agency/ Org	Task	Description of Work to Be Performed	Time frame	FRE Allocation	Un-obligated Reserve
25	ECY Consultant	Final SEPA EIS	Completion of final SEPA EIS	FEISs	\$1,725,000	
26	USACE Consultant	Final NEPA EIS	Completion of final NEPA EIS	FEISs	\$1,000,000	
27	USACE Consultant	Section 106 Consultation	Section 106 consultation support to the USACE	Concurrent w/ FEISs	\$40,000	
28	USACE Consultant	ESA Consultation	ESA consultation support to the USACE	Concurrent w/ FEISs	\$40,000	
29	USACE	Final NEPA EIS & Record of Decision	Final NEPA EIS/ROD (includes Section 106 & ESA consultations). Section 106 consultation, ESA consultation, mitigation plan reviews, fish & wildlife mitigation plan (draft through final), Section 106, ESA Biological Opinion/Magnuson Stevens Fishery Act Support	FEISs & ROD	\$795,000	
30	WDFW	Staff Engagement	WDFW staff engagement/support for final SEPA and NEPA EISs	FEISs	\$390,000	
31	DNR	Staff Engagement	DNR staff engagement/support for final SEPA and NEPA EISs	FEISs	\$150,000	
32	Ecology	Staff Engagement	Ecology staff engagement/support for final SEPA and NEPA EISs	FEISs	\$429,000	
33	FCZD	Staff Engagement	District staff time for engagement/support	Concurrent w/ FEISs	\$200,000	
34	FCZD Consultants	Consultants - GTH	Consultants - GTH	Concurrent w/ FEISs	\$400,000	
35	FCZD Consultants	HDR FEIS/AMM support	FEIS/Outreach Support	Concurrent w/ FEISs	\$80,000	
36	FCZD / HDR FEIS/AMM support	Land Conversion Procedure	This work will develop an approach for conversion of lands needed for the project. Issues that will be addressed include timing for conversion, approach for compliance with all applicable regulatory agencies, and approach to managing sensitive features	For submission as part of FEISs	\$10,000	

			under the critical areas ordinances and ecological functions identified in forest practices rules.			
37	FCZD / HDR FEIS/AMM support	Confirm State Site Location Decision	Questions have arisen from agencies and stakeholders during the DEIS and Section 106 process that have caused the agencies to ask the FCZD to confirm and provide more information on the selection of the specific site of the proposed FRE.	For submission as part of FEISs	\$50,000	
38	FCZD / HDR FEIS/ AMM support	Update VMP	Update Vegetation Management Plan (VMP) Implementation & Construction phase	For submission as part of FEISs	\$150,000	
39	FCZD / HDR FEIS/AMM support	Recreation Plan	This work will clarify the intent to provide recreational opportunities within lands that are associated with the proposed project the objective is to avoid and minimize recreation impacts if the project were to move forward. This work is intended to inform the Recreation Analysis section of the FEISs.	For submission as part of FEISs	\$20,000	
40	FCZD / HDR FEIS/AMM support	Sediment Transport / Geomorphology	Sediment transport and geomorphology	For submission as part of FEISs	\$100,000	
41	FCZD / HDR FEIS/AMM support	Temporary Construction Facilities/Quarry Operations	This work will develop additional information regarding proposed project elements such as: location and extent of the temporary construction facilities, construction equipment and equipment operations. It will also refine assumptions for the proposed quarry site location and potential extent of quarry development and operations during proposed construction. This information is intended to inform the air quality and transportation analysis of the FEISs.	For submission as part of FEISs	\$110,000	
42	FCZD / HDR FEIS/AMM support	Retention Facility Operations	Facility operations have the potential to impact several resource areas and questions have arisen from the EIS agencies about how the proposed facility may operate. This work will create preliminary project operations procedures to the extent necessary to assess impacts and with the objective to avoid or minimize impacts if the project was to move forward. A thorough and detailed operations manual and protocols will not be completed at this stage but will continue to be developed throughout the design and permitting stages of the project.	For submission as part of FEISs	\$80,000	
43	FCZD / HDR FEIS/AMM support	Update Air Quality Mitigation Commitment	This work will review and update as necessary the District's commitment to avoid and minimize air quality impacts by avoiding practices such as burning cleared vegetation, use of electrified equipment and other measures.	For submission as part of FEISs	\$5,000	
44	FCZD / HDR FEIS/AMM support	Update Biological Assessment	Update Biological Assessment – participate in consultation with the services	Concurrent w/ FEISs	\$140,000	
45	FCZD / HDR	Update Pe Ell	This task will review and update as	For	\$5,000	

	FEIS/AMM support	Water supply pipeline engineering assessment Commitment	necessary the District's commitment to assess and update Pe Ell water supply to avoid negative impacts to Pe Ell.	submission as part of FEISs		
46	FCZD / KA mitigation	FEIS Outreach	FEIS / Outreach Support	For submission as part of FEISs	\$115,000	
47	FCZD / KA mitigation	Treaty Rights	Treaty rights/ mitigation plans	Concurrent w/ FEISs	\$20,000	
48	FCZD / Misc	Section 106	Consultant 106 process	Concurrent w/ FEISs	\$170,000	
49	FCZD / Misc	Environmental Justice	Environmental justice analysis	For submission as part of FEISs	\$30,000	
50	Chehalis Tribe	FRE & other flood damage reduction actions	Overall participation/engagement on FRE Final SEPA/NEPA, supplemental, fish & wildlife mitigation plans, Section 106, and other flood damage reduction actions		\$250,000	
51	Quinault Indian Nation	FRE & other flood damage reduction actions	Overall participation/engagement on FRE Final SEPA/NEPA, supplemental, fish & wildlife mitigation plans, Section 106, and other flood damage reduction actions		\$300,000	
52	Ecology	Dam safety	Ecology dam safety staff analysis and technical assistance to applicant	Concurrent w/ FEISs	\$60,000	
53	FCZD	Project and Contract Management	This task is for required ongoing District project management support through either additional contractor/consultant assistance or additional District staff. The first \$300,000 may be used by the District to support operations and contract management provided that none of the funds will be used to support permit applications or engineering of the flood retention facility. The remaining \$300,000 will be considered by the Board for the second year of the biennium.	Concurrent w/ FEISs	\$300,000	\$300,000
54	WDFW	Fish passage	Analysis of fish passage alternative designs for construction phase by WDFW biologist & engineer	FEIS	\$83,000	
55	WDFW	Fish & Wildlife Mitigation Plans	Fish & wildlife mitigation plans (draft through final)	FEIS	\$729,000	
56	FCZD / HDR Engineering	Airport Levee Phase 2	There are jurisdictional wetlands and cultural resources sites within a close proximity of the existing airport levee. This work will clarify how the levee raise could be constructed to avoid impacting any wetlands or culturally sensitive areas. This information is intended to inform the wetlands & cultural resources analysis of the FEISs.	For submission as part of FEISs	\$120,000	
57	FCZD / HDR Engineering	Conceptual Construction Fish Passage Design	This work is intended to develop information regarding the temporary fish passage facility that could be in use during construction of the FRE, if the project were to move forward. This information could be used to determine aquatic impacts in the FEISs with the objective of avoiding or minimizing impacts	For submission as part of FEISs	\$150,000	

58	FCZD / HDR Engineering	Access Roads	This work will further define the project description related to permanent and temporary access roads in and around the FRE site and reservoir area. Locations of existing roads, potential for new roads, road usage and type, and materials needed will be among the information developed.	For submission as part of FEISs	\$60,000	
59	FCZD / HDR Engineering	Power / Transmission Lines	This work will further refine the project description for power transmission and power facilities. This information is intended to inform the land use and habitat analysis of the FEISs with the objective of avoiding or minimizing impacts if the project were to move forward	For submission as part of FEISs	\$60,000	
60	FCZD / HDR Engineering	Dam Safety	Summarize dam safety standards	For submission as part of FEISs	\$15,000	
61	FCZD / HDR Engineering	Engineering Input to Draft HPA Permit Application	The preparation of the HPA permit is scheduled to occur after the Final EISs are completed and further work is authorized to move forward with the FRE project by OCB	After FEISs		\$50,000
62	FCZD / KA mitigation	Preliminary Draft Aquatic Resources Mitigation Plan	Develop preliminary draft Aquatic Resources Mitigation Plan (HPA/404)	Concurrent w/ & after FEISs	\$500,000	
63	FCZD / KA mitigation	Mitigation Site ID/ Design/ Landowner Agreements	This work responds to WDFW's request to provide greater specificity to assess the feasibility of compensatory mitigation to address unavoidable impact to aquatic habitats and species. The specificity sought by WDFW includes preliminary determination of landowner willingness, development of site-specific mitigation concepts, and characterization of mitigation benefits in terms of ecological functions and values as they pertain to specific species and life stages. This work will include preparation of draft mitigation plans for assessment of impacts to aquatic resources, wetlands, and terrestrial habitats. The work also includes landowner outreach and the development of a list of willing landowners of properties that are potential mitigation sites.	Concurrent w/ FEISs	\$1,200,000	
64	FCZD / KA mitigation	Preliminary Draft Wetlands Mitigation Plan	Prepare preliminary draft wetlands mitigation plan	Concurrent w/ & after FEISs	\$300,000	
65	FCZD / KA mitigation	Preliminary draft HPA Permit App	The preparation of the HPA permit is scheduled to occur after the Final EISs are completed and further work is authorized to move forward with the FRE project by OCB	After FEISs		\$120,000
66	FCZD / Land Acquisition	Land Value Coordination	This work will be done in coordination with project site land owners to obtain independent valuation of timber/land resources of the proposed project site and temporary reservoir area	After FEISs		\$250,000
67	FCZD / Land	Land Option	This work will include negotiations with land	After FEISs		\$310,000

	Acquisition	Agreement Negotiation	owners and preparation of agreements for access to the property prior to purchase to undertake studies required for permitting that must be initiated during the final design and permitting phase.			
68	FCZD / Land Acquisition	Land Option Payment	The option payment to land owner will be to obtain access during project permitting for more detailed collection of site information in support of required permit applications.	After FEISs		\$1,800,000
69	FCZD / Mitigation demonstration (KA)	Hyporheic Exchange Demonstration Plan	Preliminary planning for a hyporheic exchange enhancement demonstration project	Concurrent w/ FEISs	\$100,000	
70	FCZD / Mitigation demonstration (KA)	Implement Hyporheic Exchange Enhancement Demonstration	The intention of implementing this project is to demonstrate the efficacy of a hyporheic exchange location in the Chehalis River Basin to assist the agencies in their assessment of this type of mitigation feasibility. This work will install existing condition monitoring, initiate monitoring, and construct exchange structure.	Concurrent w/ FEISs	\$0	\$0
					See Integrated Projects Allocations	
71	FCZD / Mitigation demonstration (KA)	Implement Wetlands Mitigation	The intention of this work is to obtain options for available wetland credits and demonstrate there are sufficient credits available.	Concurrent w/ FEISs	\$50,000	
72	FCZD / HDR Engineering	Initial Phase – 60% design	We do not anticipate this work to begin until after the Final EISs are completed, and the project is authorized to move forward by OCB. More information on the expectation of this work task is located in the FCZD letter to the OCB board dated 5/25/2021.	After FEISs		\$6,000,000
TOTAL					\$10,531,000	\$8,530,000
Allotment by agency/org						
					FCZD & Consultants	\$4,540,000
					ECY & Consultants	\$2,214,000
					USACE & Consultants	\$1,875,000
					WDFW	\$1,202,000
					Tribes	\$550,000
					DNR	\$150,000